



**CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES**

Steven L. Beshear
Governor

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Janie Miller
Secretary

Elizabeth A. Johnson
Commissioner

January 10, 2009

Mary Kaye Justis, RN, MBA
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations
Centers for Medicare and Medicaid Services
61 Forsyth Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909

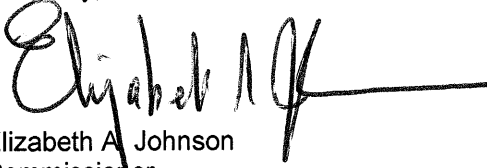
Dear Ms. Justis:

Kentucky Title XIX State Plan Transmittal No. 09-001,
Disease Management

Enclosed is a copy of the Kentucky Title XIX Transmittal Number 09-001. This plan amendment is a revision of the Disease Management Program. The State has decided to focus only on the diabetes portion of the disease management program and expand it to a total of ten counties.

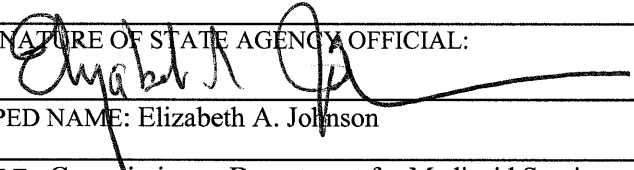
If additional information is needed, please contact my office at 502-564-4321.

Sincerely,


Elizabeth A. Johnson
Commissioner

EJ/RD/NW/SO/ks

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 09-001	2. STATE Kentucky
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2009	
5. TYPE OF PLAN MATERIAL <i>(Check One)</i> : <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT <i>(Separate Transmittal for each amendment)</i>			
6. FEDERAL STATUTE/REGULATION CITATION: Section 1937 of the Act		7. FEDERAL BUDGET IMPACT: a. FFY 2009 - Budget Neutral b. FFY 2010 - Budget Neutral	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Amend: Att. 3.1-C pages 10.5-10.6 and 10.25-10.26 Delete: Att. 3.1-C pages 10.27-10.40		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i> : Same	
10. SUBJECT OF AMENDMENT: This plan amendment is a revision of the disease management program.			
11. GOVERNOR'S REVIEW <i>(Check One)</i> : <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL X OTHER, AS SPECIFIED: Review delegated to Commissioner, Department for Medicaid Services			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Department for Medicaid Services 275 East Main Street 6W-A Frankfort, Kentucky 40621	
13. TYPED NAME: Elizabeth A. Johnson			
14. TITLE: Commissioner, Department for Medicaid Services			
15. DATE SUBMITTED: February 10, 2009			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED:	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
21. TYPED NAME:		22. TITLE:	
23. REMARKS:			

ALTERNATIVE BENEFITS

STATE PLAN AMENDMENT
BENCHMARK BENEFIT PACKAGE
BENCHMARK EQUIVALENT BENEFIT PACKAGE

for ESI was not accepted due to failing to meet whichever criteria it did not meet. Thus, the State will ultimately maintain discretion as to whether or not to offer ESI coverage to an individual.

For the opt-in populations/individuals, provide a description of the benefits available under the alternative benefit package and a comparison of how they differ from the benefits available under the regular Medicaid program, as well as an assurance that the State will inform each individual of this information.

Please see the attached benefit grid for Comprehensive Choice and Optimum Choices. Cost sharing for this population is reduced under this benefit design.

The Kentucky State Employee Essential Health Insurance Plan (please see attached) will be the benchmark equivalent plan utilized for individuals selecting Employer Sponsored Insurance.

c. X/ Geographical Classification

States can provide for enrollment of populations on a statewide basis, regional basis, or county basis.

List any geographic variations:

In accordance with section 1937 of the Act, Targeted disease management benefits will be made available to certain counties based on diagnosis of applicable disease state.

Please provide a chart, listing eligible populations (groups) by mandatory enrollment, opt-in enrollment, geography

ALTERNATIVE BENEFITS

STATE PLAN AMENDMENT
BENCHMARK BENEFIT PACKAGE
BENCHMARK EQUIVALENT BENEFIT PACKAGE

limitations, or any other requirements or limitations.
Please see the attached listing of disease management program descriptions and their corresponding geographic locations. All Medicaid eligibles with an appropriate diagnosis code, who are capable of meeting the participation requirements of the related disease management program, may elect to participate in the disease management program if offered in their county of residence. All enrollments will be opt-in, participation will not be mandated.

B. Description of the Benefits

X/ The State will provide the following alternative benefit packages (check all that apply).

1937(b)

1. X/ Benchmark Benefits

a. / **FEHBP-equivalent Health Insurance Coverage** – The standard Blue Cross/Blue Shield preferred provider option services benefit plan, described in and offered under section 8903(1) of Title 5, United States Code.

b. / **State Employee Coverage** – A health benefits coverage plan that is offered and generally available to State employees within the State involved. Attach a copy of the State's employee benefits plan package.

c. / **Coverage Offered Through a Health Maintenance Organization (HMO)** – The health insurance plan that is offered by an HMO (as defined in section 2791(b)(3) of the Public Health Service Act), and that has

ALTERNATIVE BENEFITS
STATE PLAN AMENDMENT
BENCHMARK BENEFIT PACKAGE
BENCHMARK EQUIVALENT BENEFIT PACKAGE

Diabetes Disease Management

Kentucky Medicaid will offer a diabetes disease management program described on pages 10.25-10.26.

The Department for Medicaid Services (DMS), Division of Medical Management implemented this initiative to provide the following goals:

- To improve quality of life for members with diabetes.
- To educate the members to be better prepared to manage their diabetes.
- Promote appropriate use of healthcare resources.
- Decrease work absences.
- Improve self-management of diabetes.
- Standards of Care adopted and guidelines followed by providers and members.

Medicaid members excluded from participation in Kentucky's diabetes disease management initiative are:

- Under age 18
- Residents of long-term care facilities
- Passport Health Plan enrollees
- Participants in a Waiver program (except those in the Home and community-Based Services waiver).

Members have been chosen to participate based on medical and/or pharmacy claims history, as follows:

- ICD-9 codes (250.0-250.99, 357.2, 362.0, 366.41, 648.00, 648.81, 648.02, 648.03, 648.-04, 648.80, 648.81, 648.82, 648.83, 648.84)
- Insulin agent/hypoglycemic agent prescription(s)
- CPT code 67227, 67228 (diabetic retinopathy treatment) and/or 83036 (A1c hemoglobin)

We wish to continue to encourage our healthcare providers for their input and assistance with this initiative. DMS continues to look forward to partnering with our providers, health departments, Diabetes Centers of Excellence, and other community resources to improve the lives of Kentuckians affected by diabetes.

ALTERNATIVE BENEFITS
STATE PLAN AMENDMENT
BENCHMARK BENEFIT PACKAGE
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Specific guidelines (for example) include the American Diabetes Association (ADA).

Clinical Guidelines and Standards

- American Diabetes Association (ADA)

Diabetes Disease Management Map
CY 2009

The counties selected to participate in the Diabetes Disease Management Program include Bell, Clay, Fayette, Knox, Perry, Pulaski, Warren, and Whitley.

